

**Youth Programs (WIA)**  
**Job Training Unit, Employment Security Division**  
**Department of Labor & Workforce Development - Program 8**

**I. PROGRAM OBJECTIVES**

The Youth Program provides a comprehensive array of services to youth in an effort to assist them in successfully transitioning into adulthood, careers, and further education and training.

Source of Governing Requirements

The Youth Program is authorized by: Title I, Chapter 4 of the Workforce Investment Act (WIA) of 1998 (Pub. L. No. 105-220, 112 Stat. 936-1059; 29 USC 2811 et seq.). The regulations are at 20 CFR parts 660-671 and were published in the August 11, 2000, Federal Register (65 FR 49293).

**II. PROGRAM PROCEDURES**

Youth Program formula funding is allocated through the AK Workforce Investment Office (AWIO) to Alaska's two workforce investment areas using a formula driven by need in each area. In the Anchorage Mat Su workforce investment area, the program is overseen by the Anchorage Mat Su Local Workforce Investment Board and administered by the Municipality of Anchorage (MOA). In the Balance of State (BOS) workforce investment area, the program is overseen by the Balance of State Local Workforce Investment Board and administered by the Job Training Unit in the Employment Security Division of the Department of Labor and Workforce Development (DOL). Because the Youth program uses federal pass through money, audits of the administrative entities and subgrantees should be conducted in accordance with federal audit requirements.

The local administrative entities (MOA and DOL Job Training), on behalf of the local workforce investment board (LWIB), distribute funds through a competitive process to eligible contractors and grantees, including municipalities, education agencies, non-profit organizations and private businesses and individuals. The funds are used to pay costs of youth activities. The local administrative entities can also provide direct services for case management and summer employment programs if the Governor waives the restriction on LWIB direct provision of services.

**III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES**

A. ACTIVITIES ALLOWED - LOCAL ACTIVITIES – WIA, TITLE I,  
SUBTITLE B, CHAPTER 4 YOUTH ACTIVITIES

1. Youth activities can provide a wide array of services relating to employment, education and youth development. With the possible exceptions of the design framework component, the summer employment component, and case management activities, these activities must be obtained by grant or contract with a service provider (Training and Employment Guidance Letter No. 9-00). The activities include but are not limited to the following (29 USC 2843 and 2854(c)(2); 20 CFR sections 664.405(a)(4) and .410):
  - a. Tutoring, study skills training, and instruction leading to completion of secondary school, including dropout prevention strategies.
  - b. Alternative secondary school services.
  - c. Summer employment opportunities that are directly linked to academic and occupational learning.
  - d. Paid and unpaid work experience, including internships and job shadowing.
  - e. Occupational skills training.
  - f. Leadership development opportunities, including community service and peer-centered activities encouraging responsibility and other positive social behaviors.
  - g. Supportive services.
  - h. Adult mentoring for a period of participation and a subsequent period, for a total of not less than 12 months.
  - i. Follow-up services.
  - j. Comprehensive guidance and counseling, including drug and alcohol abuse counseling and referral.
2. Funds allocated to a local area for eligible youth shall be used for programs that (20 CFR section 664.405):
  - a. Objectively assess academic levels, occupational skill levels, service needs (i.e., occupational, prior work experience, employability, interests, aptitudes), and supportive service needs of each participant;
  - b. Develop service strategies that identify an employment goals, achievement objectives, and the appropriate services needed to achieve the goals and objectives for each participant; and
  - c. Provide post-secondary education preparation, linkages between academic and occupational learning, preparation for unsubsidized employment opportunities, and effective connections to

intermediaries with strong links to the job market and local and regional employers.

**B. ACTIVITIES NOT ALLOWED- ALL PROGRAM CATEGORIES**

WIA Title I funds may not be used for the following activities:

1. Construction or purchase of facilities or buildings (20 CFR 667.260), with the following exceptions:
  - a. Providing physical and programmatic accessibility and reasonable accommodation, as required under section 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as amended (20 CFR 667.260(a)).
  - b. Repairs, renovations, alterations and capital improvements of SESA real property and JTPA-owned property which is transferred to WIA title I programs (20 CFR 667.260(b)).
  - c. Disaster relief employment on projects for demolition, cleaning, repair, renovation, and reconstruction of damaged and destroyed structures, facilities, and lands located within a disaster area (WIA sec.173(d); 29 USC 2918(d); 20 CFR 667.260(d)).
2. Employment generating activities, economic development activities, investment in revolving loan funds, capitalization of businesses, investment in contract bidding resource centers, and similar activities not directly related to training for eligible individuals, with the exception of employer outreach and job development activities, which are considered directly related to training for eligible individuals (WIA section 181(e); 29 USC 2931(e); 20 CFR 667.262):
3. The employment or training of participants in sectarian activities. Participants shall not be employed in the construction, operation, or maintenance of a facility that is or will be used for sectarian instruction or as a place for religious worship. However, WIA funds may be used for the maintenance of a facility that is not primarily or inherently devoted to sectarian instruction or religious worship if the organization operating the facility is part of a program or activity providing services to WIA participants. (WIA section 188(a)(3); 29 USC 2938(a)(3); 20 CFR 667.266).

4. Encouraging or inducing the relocation of a business or part of a business from any location in the United States if the relocation results in any employee losing his or her job at the original location (20 CFR 667.268).
5. Providing customized training, skill training, or on-the-job training or company specific assessments of job applicants or employees of a business or a part of a business that has relocated from any location in the United States, until the company has operated at that location for 120 days, if the relocation resulted in any employee losing his or her job at the original location (20 CFR 667.268(a)).
6. Paying the wages of incumbent employees during their participation in economic development activities provided through a Statewide workforce investment system (WIA sec.181(b)(1); 29 USC 2931(b)(1); 20 CFR section 667.264(a)(1)).
7. Public service employment, except to provide disaster relief employment, as specifically authorized in section 173(d) of WIA (WIA sec. 195(10); 29 USC 2945(10); 20 CFR 667.264(a)(2)).

#### Suggested Audit Procedures

- Review guidelines above for allowable as-well-as disallowable activities.
- Test expenditure and related records for reasonableness and consistency with allowable activities.
- Test expenditures for accuracy and support.

### C. ELIGIBILITY FOR INDIVIDUALS

1. All Program Categories
  - a. Selective Service - No participant may be in violation of section 3 of the Military Selective Service Act (50 USC App. 453) by not presenting and submitting to registration under that Act (29 USC 2939(h)).
  - b. Citizenship - WIA participants must be citizens and nationals of the United States, lawfully admitted permanent resident aliens, refugees, assails, and parolees, and other immigrants authorized by the Attorney General to work in the United States (29 USC 2938(a)(5)).
2. Subtitle B Statewide and Local Workforce Investment Systems (Youth Activities)

A person is eligible to receive services under Youth Activities if they are between the ages of 14 and 21 at the time of enrollment (20 CFR section 664.200) and demonstrate at least one of the following barriers to employment: deficient in basic literacy skills; a school dropout; homeless, a runaway; a foster child; pregnant or parenting; offender; or an individual who requires additional assistance to complete an educational program, or to secure and hold employment (20 CFR sections 664.200, .205, and .210).

Up to five percent of youth participants served by youth programs in a local area may be individuals who do not meet the income criterion for eligible youth (20 CFR section 664.220), provided that they are within one or more of the following categories:

- a. School dropout;
- b. Basic skills deficient, as defined in WIA section 101(4);
- c. Are one or more grade levels below the grade level appropriate to the individual's age;
- d. Pregnant or parenting;
- e. Possess one or more disabilities, including learning disabilities;
- f. Homeless or runaway;
- g. Offender; or
- h. Face serious barriers to employment as identified by the Local Board. (WIA sec. 129(c)(5).)

#### Suggested Audit Procedures

- Review requirements for eligibility.
- Review selected participant files and determine the appropriateness of eligibility determinations.
- Review and assess the grantee's procedures for adequately verifying the eligibility of applicants.
- Review and assess the grantee's procedures for periodically determining continued eligibility and level of participation.
- Review and assess the grantee's procedures for terminating services to clients determined to be ineligible.

#### **D. EQUIPMENT AND REAL PROPERTY MANAGEMENT**

Recipients and subrecipients may permit employers to use WIA-funded, local area services, facilities, or equipment on a fee-for-service basis, to provide employment and training activities to incumbent workers if this does not interfere with utilization by eligible participants and the income generated from such fees is treated as program income (29 USC 2945(13); 20 CFR section 667.200(a)(8)).

#### Suggested Audit Procedures

- Determine if the above activities occur and if so do they result in noncompliance.
- Determine if income generated by these activities is treated as program income as required.

### E. MATCHING, LEVEL OF EFFORT, EARMARKING

#### Compliance Requirement

The financial assistance agreement will specify any matching, level of effort or earmarking requirements.

#### Suggested Audit Procedure

- Review the financial assistance agreements, identify any applicable requirements, and verify that the requirement was met and in the manner specified.

### F. REPORTING

Subrecipients are generally required to report financial information to the local administrative entity (e.g., State or Municipality). These reports should be tested during audits of subrecipients.

#### Compliance Requirement

The financial assistance agreement will specify the reporting requirements.

#### Suggested Audit Procedures

- Obtain copies of required reports and determine completeness and timeliness of submission.
- Trace data in selected reports to supporting documentation.

### G. SPECIAL TESTS AND PROVISIONS

#### Compliance Requirement

The financial assistance agreement will specify any special tests and provisions.

#### Suggested Audit Procedures

- Review the financial assistance agreement, identify any special tests and provisions and verify that the requirements were met and in the manner specified.

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